

QUARTERLY REPORT

TRADING NAME OF LICENSEE: GNOC, Corp. (Atlantic City Hilton)

For The Quarter Ended March 31, 2001

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

BALANCE SHEETS

MARCH 31, 2001 AND 2000

(UNAUDITED)

(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2001 (c)	2000 (d)
	ASSETS		
	Current Assets:		
1	Cash and cash equivalents.	\$ 20,693	\$ 16,637
2	Short-term investments.	-	-
3	Receivables and patrons' checks (net of allowance for doubtful accounts - 2001, \$ 10,029 ; 2000, \$ 4,892). NOTE 2.	11,041	8,499
4	Inventories.	1,864	2,581
5	Prepaid expenses and other current assets.	2,332	2,098
6	Total current assets.	35,930	29,815
7	Investments, Advances, and Receivables. NOTE 3.	9,176	8,426
8	Property And Equipment - Gross. NOTE 4.	523,235	514,685
9	Less: Accumulated Depreciation/Amortization. NOTES 1 & 4. .	(216,721)	(198,799)
10	Property And Equipment - Net.	306,514	315,886
11	Other Assets. NOTE 5.	79,129	86,931
12	Total Assets.	\$ 430,749	\$ 441,058
	LIABILITIES AND EQUITY		
	Current Liabilities:		
13	Accounts payable.	\$ 5,771	\$ 5,501
14	Notes payable.	-	-
	Current portion of long-term debt.		
15	Due to affiliates.	-	-
16	Other.	-	-
17	Income taxes payable and accrued.	-	-
18	Other accrued expenses. NOTE 6.	21,080	19,306
19	Other current liabilities. NOTE 7.	6,687	5,670
20	Total current liabilities.	33,538	30,477
	Long-Term Debt:		
21	Due to affiliates. NOTE 8.	200,000	200,000
22	Other.	-	-
23	Deferred Credits.	-	-
24	Other Liabilities. NOTE 9.	154,415	177,041
25	Commitments And Contingencies. NOTE 1.	-	-
26	Total Liabilities.	387,953	407,518
27	Stockholders', Partners', or Proprietor's Equity. NOTE 10.	42,796	33,540
28	Total Liabilities And Equity.	\$ 430,749	\$ 441,058

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2001 and 2000

(UNAUDITED)

(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2001 (c)	2000 (d)
	Revenues:		
1	Casino.	\$ 73,896	\$ 72,639
2	Rooms.	5,330	5,511
3	Food and beverage.	9,765	9,324
4	Other.	2,327	1,873
5	Total Revenues.	91,318	89,347
6	Less: Promotional allowances.	11,117	10,377
7	Net Revenues.	80,201	78,970
	Costs And Expenses:		
8	Cost of goods and services.	45,409	43,680
9	Selling, general, and administrative.	22,613	20,964
10	Provision for doubtful accounts.	388	435
11	Total Costs and Expenses.	68,410	65,079
12	Gross Operating Profit.	11,791	13,891
13	Depreciation and Amortization.	5,635	5,721
	Charges from affiliates other than interest:		
14	Management fees. NOTE 11.	2,400	2,390
15	Other.	-	-
16	Income (Loss) From Operations.	3,756	5,780
	Other Income (Expenses):		
17	Interest (expense)-affiliates.	(4,496)	(4,496)
18	Interest (expense)-external.	-	-
19	Investment alternative tax and related income (expense) - net.	(398)	(408)
20	Nonoperating income (expense) - net. NOTE 12.	(43)	161
21	Total Other Income (Expenses).	(4,937)	(4,743)
22	Income (Loss) Before Income Taxes And Extraordinary Items.	(1,181)	1,037
23	Provision (credit) for income taxes.	(482)	423
24	Income (Loss) Before Extraordinary Items.	(699)	614
25	Extraordinary items (net of income taxes - 20__, \$)	-	-
26	Net Income (Loss).	\$ (699)	\$ 614

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: GNOC, Corp. (Atlantic City Hilton)

STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2000 AND THE THREE MONTHS ENDED MARCH 31, 2001

(UNAUDITED)
(\$ IN THOUSANDS)

Line (a)	Description (b)	Common Stock		Preferred Stock		Additional Paid-In Capital (g)		Retained Earnings (Accumulated) (Deficit) (i)	Total Shareholder's Equity (Deficit) (j)
		Shares (c)	Amount (d)	Shares (e)	Amount (f)				
1	Balance, December 31, 1999.....	3,002,510	\$ 30		\$	\$ 123,421	\$	\$ (90,525)	\$ 32,926
2	Net Income (Loss) - 2000.....							10,569	10,569
3	Contribution to Paid-in Capital.....								
4	Dividends.....								
5	Prior Period Adjustments.....								
6									0
7									
8									
9									
10	Balance, December 31, 2000.....	3,002,510	\$ 30		\$	\$ 123,421	\$	\$ (79,956)	\$ 43,495
11	Net Income (Loss) - 2001.....							(699)	(699)
12	Contribution to Paid-in Capital.....								
13	Dividends.....								
14	Prior Period Adjustments.....								
15									
16									
17									
18									
19	Balance, March 31, 2001.....	3,002,510	\$ 30		\$	\$ 123,421	\$	\$ (80,655)	\$ 42,796

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

STATEMENT OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2000 AND THE THREE MONTHS ENDED MARCH 31, 2001

(UNAUDITED)
(\$ IN THOUSANDS)

NOT APPLICABLE

Line (a)	Description (b)	Contributed Capital (c)	Accumulated Earnings (Deficit) (d)	(e)	Total Equity (Deficit) (f)
1	Balance, December 31, 1999. . . .				
2	Net Income (Loss) - 2000.				
3	Capital Contributions.				
4	Capital Withdrawals.				
5	Partnership Distributions.				
6	Prior Period Adjustments.				
7					
8					
9					
10	Balance, December 31, 2000. . . .				
11	Net Income (Loss) - 2001.				
12	Capital Contributions.				
13	Capital Withdrawals.				
14	Partnership Distributions.				
15	Prior Period Adjustments.				
16					
17					
18					
19	Balance, March 31, 2001.				

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2001 and 2000

(UNAUDITED)

(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2001 (c)	2000 (d)
1	Net Cash Provided (Used) By Operating Activities.	\$ 4,671	\$ 19,526
	Cash Flows From Investing Activities:		
2	Purchase of short-term investment securities.	-	-
3	Proceeds from the sale of short-term investment securities.	-	-
4	Cash outflows for property and equipment.	(1,805)	(2,365)
5	Proceeds from disposition of property and equipment.	153	12
6	Purchase of casino reinvestment obligations.	(875)	(556)
7	Purchase of other investments and loans/advances made.	-	-
8	Proceeds from disposal of investment and collection of advances and long-term receivables.	-	-
9	Cash outflows to acquire business entities.	-	-
10	Increase in construction - related liabilities.	-	-
11		-	-
12	Net Cash Provided (Used) By Investing Activities.	(2,527)	(2,909)
	Cash Flows From Financing Activities:		
13	Cash proceeds from issuance of short-term debt.	-	-
14	Payments to settle short-term debt.	-	-
15	Cash proceeds from issuance of long-term debt.	-	-
16	Costs of issuing debt.	-	-
17	Payments to settle long-term debt.	-	-
18	Cash proceeds from issuing stock or capital contribution.	-	-
19	Purchases of treasury stock.	-	-
20	Payments of dividends or capital withdrawals.	-	-
21	Change in payable to affiliate.	(3,947)	(21,427)
22	Debt retirement costs.	-	-
23	Net Cash Provided (Used) By Financing Activities.	(3,947)	(21,427)
24	Net Increase (Decrease) In Cash And Cash Equivalents.	(1,803)	(4,810)
25	Cash And Cash Equivalents At Beginning Of Year.	22,496	21,447
26	Cash And Cash Equivalents At End Of Year.	\$ 20,693	\$ 16,637

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	Cash Paid During Year For:		
27	Interest (net of amount capitalized)	\$ 4,496	\$ 4,496
28	Income taxes paid (refunded) - net	\$ (482)	\$ 423

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2001 and 2000

(UNAUDITED)

(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2001 (c)	2000 (d)
	Net Cash Flows From Operating Activities:		
29	Net income (loss)	\$ (699)	\$ 614
	Noncash items included in income and cash items excluded from income:		
30	Depreciation and amortization of property and equipment.	4,872	4,958
31	Amortization of other assets.	763	763
32	Amortization of debt discount or premium.	-	-
33	Deferred income taxes - current.	-	-
34	Deferred income taxes - noncurrent.	-	-
35	(Gain) loss on disposition of property and equipment.	134	(12)
36	(Gain) loss on casino reinvestment obligations.	398	408
37	(Gain) loss from other investment activities.	-	-
38	Net (increase) decrease in receivables and patrons' checks.	(828)	11,388
39	Net (increase) decrease in inventories.	72	(32)
40	Net (increase) decrease in other current assets.	6	(86)
41	Net (increase) decrease in other assets.	-	(948)
42	Net increase (decrease) in accounts payables.	(1,648)	(906)
43	Net increase (decrease) in other current liabilities excluding debt.	1,545	2,792
44	Net increase (decrease) in other noncurrent liabilities excluding debt.	56	587
45	Loss on extinguishment of debt, net of tax benefit of \$.	-	-
46	Amortization of CRDA assets	-	-
47	Net Cash Provided (Used) By Operating Activities.	\$ 4,671	\$ 19,526

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES

	Acquisition Of Property And Equipment:		
48	Additions to property and equipment.	\$ 1,805	\$ 2,365
49	Less: Capital lease obligations incurred.	-	-
50	Cash Outflows For Property And Equipment.	\$ 1,805	\$ 2,365
	Acquisition Of Business Entities:		
51	Property and equipment acquired.	\$ -	\$ -
52	Goodwill acquired.	-	-
53	Net assets acquired other than cash, goodwill, and property and equipment.	-	-
54	Long-term debt assumed.	-	-
55	Issuance of stock or capital invested.	-	-
56	Cash Outflows To Acquire Business Entities.	\$ -	\$ -
	Stock Issued Or Capital Contributions:		
57	Total issuances of stock or capital contributions.	\$ -	\$ -
58	Less: Issuances to settle long-term debt.	-	-
59	Consideration in acquisition of business entities.	-	-
60	Cash Proceeds From Issuing Stock Or Capital Contributions.	\$ -	\$ -

The accompanying notes are an integral part of the financial statements.

Valid comparisons cannot be made without using information contained in the notes.

SCHEDULE OF PROMOTIONAL EXPENSES AND ALLOWANCES

(\$ IN THOUSANDS)

FOR THE THREE MONTHS ENDED MARCH 31, 2001

Line (a)	(b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	88,546	\$ 3,475		\$
2	Food	369,632	4,657		
3	Beverage	851,334	2,213		
4	Travel			13,167	728
5	Bus Program Cash			192,612	3,446
6	Other Cash Complimentaries			141,119	8,133
7	Entertainment	11,521	365	708	89
8	Retail & Non-Cash Gifts	4,452	308	9,934	102
9	Parking				
10	Other *	3,950	99	62,724	440
11	Total	1,329,435	\$ 11,117	420,264	\$ 12,938

* No item in this category exceeds 5%.

GNOC, Corp. (Atlantic City Hilton)
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(All dollar amounts in thousands)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and basis of presentation

The accompanying financial statements include the accounts of GNOC, Corp., a New Jersey corporation (the "Company"). The Company is a wholly owned subsidiary of Bally's Park Place, Inc., which owns and operates the casino hotel resort in Atlantic City, New Jersey known as Bally's Park Place Casino Resort ("Bally's Park Place"), which is a wholly owned subsidiary of Park Place Entertainment Corporation ("PPE"). The Company owns and operates the casino hotel resort in Atlantic City, New Jersey known as the "Atlantic City Hilton." The Company operates in one industry segment and all significant revenues arise from its casino and supporting hotel operations. The accompanying financial statements should be read in conjunction with the Casino Control Commission Quarterly Report for the year ended December 31, 2000.

All adjustments have been recorded which are, in the opinion of management, necessary for a fair presentation of the balance sheets for the Company at March 31, 2001 and 2000, and its statements of income for the three months ended March 31, 2001 and 2000 and its statements of cash flows for the three months ended March 31, 2001 and 2000. All such adjustments were of a normal recurring nature.

Seasonal factors

The Company's operations are subject to seasonal factors and, therefore, the results of operations of the three months ended March 31, 2001 and 2000 are not necessarily indicative of the results of operations for the full year.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenue and expenses reported during the period. Actual results could differ from such estimates.

Revenue recognition and promotional allowances

Casino revenues represent the net revenue from gaming wins and losses. The revenues from hotel, food and beverage, and from theater ticket sales are recognized at the time the related services are performed. The Statement of Income reflects operating revenues including the retail value of complimentary services (also known as promotional allowances), which are deducted on a separate line to arrive at net revenues. Promotional allowances are provided to casino patrons without charge.

GNOC, Corp. (Atlantic City Hilton)
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(All dollar amounts in thousands)

Inventories

Inventories are stated at the lower of cost (weighted average cost method) or market, which approximates replacement cost.

Property and equipment

Depreciation of property and equipment is provided on the straight-line method over the estimated economic lives of the related assets. Depreciation expense was \$4,872 and \$4,958 for the three months ended March 31, 2001 and 2000, respectively.

<u>Asset class</u>	<u>Life</u>
Buildings	40 years
Building improvements	3-10 years
Furniture, Fixtures and Equipment	3-10 years

Costs in excess of acquired assets

In 1987, Bally Entertainment Corporation (formerly the parent of the Company) acquired the Company, other related properties and real estate leases in a transaction which was accounted for as a purchase. The excess of the total acquisition cost and debt assumed over the fair value of net assets acquired (goodwill) is being amortized on the straight-line method over forty years.

Long-lived assets

The provisions of Statement of Financial Accounting Standard No. 121 "Accounting for the Impairment of Long-Lived Assets," require, among other things, that an entity review its long-lived assets and certain related intangibles for impairment whenever changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. The Company does not believe that any such changes have occurred.

Fair values of financial instruments

The fair values of the Company's financial instruments including receivables, payables and debt, approximate their recorded book values at March 31, 2001 and 2000.

GNOC, Corp. (Atlantic City Hilton)
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(All dollar amounts in thousands)

Income taxes

Taxable income or loss of the Company is included in the consolidated federal income tax return of PPE. The Company provides for income taxes by applying the respective state and federal statutory rates to the results of operations. The corresponding liability or receivable is credited or charged to PPE. Deferred income tax assets and liabilities for temporary differences between the carrying amounts for financial reporting and income tax purposes, if any, are accounted for by PPE.

Casino Reinvestment Development Authority

The New Jersey Casino Control Act provides, among other things, for an assessment of licensees equal to 1.25% of their gross gaming revenues in lieu of an investment alternative tax equal to 2.5% of gross gaming revenues. The Company has satisfied this investment obligation by investing in qualified eligible direct investments, by making qualified contributions or by depositing funds with the Casino Reinvestment Development Authority ("CRDA"). Funds deposited with the CRDA may be used to purchase bonds designated by the CRDA or, under certain circumstances, may be donated to the CRDA in exchange for credits against future CRDA investment obligations. CRDA bonds have terms up to fifty years and bear interest at below market rates. The Company records a charge to reflect the estimated realizable value of its CRDA investments.

Allocations and transactions with related parties

The Company transfers cash in excess of its operating needs to PPE on a daily basis. PPE provides the Company with cash advances for capital expenditures and working capital needs.

Certain executive, administrative and support operations of the Company and other PPE affiliates are consolidated, including limousine services, legal services, advertising, sales and marketing services, purchasing and other administrative departments. Costs of these operations are allocated to or from the Company either directly or using various formulas based on estimates of utilization of such services. Management believes the methods used to allocate these costs are reasonable. In addition, the Company leases land from Bally's Park Place.

Advertising and Marketing Fee

Hilton Hotels Corporation charges the Company for certain hotel reservation services, and advertising and marketing support in accordance with the fees established for participation in Hilton Reservations Worldwide and the Hilton HHonors Programs, as well as a national and regional group advertising and sales promotions services fee (the "National Advertising Fee") equal to 1% of net room revenues.

GNOC, Corp. (Atlantic City Hilton)
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(All dollar amounts in thousands)

New Accounting Standard

Statement of Financial Accounting Standard No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("SFAS 133"), is effective for all fiscal years beginning after June 15, 2000. SFAS 133, as amended, establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts and for hedging activities. Under SFAS 133, certain contracts that were not formerly considered derivatives may now meet the definition of a derivative. The Company adopted SFAS 133 January 1, 2001. The adoption of SFAS 133 did not have a significant impact on the financial position, results of operations, or cash flows of the Company.

NOTE 2 – RECEIVABLES AND PATRONS' CHECKS

Receivables and patrons' checks as of December 31 consist of the following:

	<u>2001</u>	<u>2000</u>
Casino receivables (net of allowance for doubtful accounts – 2001, \$9,835; 2000, \$4,703)	\$ 6,774	\$ 5,627
Receivable from CRDA (See Note 3)	-	959
Other (net of allowance for doubtful accounts – 2001, \$194; 2000, \$189)	2,595	1,840
Due from affiliates	<u>1,672</u>	<u>73</u>
	<u>\$11,041</u>	<u>\$ 8,499</u>

NOTE 3 - INVESTMENTS, ADVANCES AND RECEIVABLES

Investments, advances and receivables as of March 31, 2001 and 2000 consist of funds invested with the CRDA, net of related valuation reserves of \$5,007 and \$4,811 ay March 31, 2001 and 2000, respectively.

The Company has a credit agreement dated October 15, 1996, with the CRDA for approximately \$12,474 in funding for its 308 room hotel tower expansion which was completed in July 1997. The Company has received all funding from the CRDA under this agreement based on expenditures made for the project.

GNOC, Corp. (Atlantic City Hilton)
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(All dollar amounts in thousands)

The Company, Bally's Park Place and the CRDA entered into a credit exchange agreement and an investment agreement in 1998. The credit exchange agreement permits the exchange of certain current and future CRDA obligations between the Company and Bally's Park Place, resulting in a long-term payable to Bally's Park Place (See Note 9). The investment agreement provides an investment plan for the use of certain current and future CRDA funds. These agreements have accelerated the funding of credits due the Company under the aforementioned credit agreement dated October 15, 1996.

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment as of March 31 consist of the following:

	<u>2001</u>	<u>2000</u>
Land	\$ 66,655	\$ 66,655
Buildings and improvements	302,564	299,749
Furniture, fixtures and equipment	152,611	146,466
Construction in progress	<u>1,405</u>	<u>1,815</u>
	523,235	514,685
Less accumulated depreciation and amortization	<u>(216,721)</u>	<u>(198,799)</u>
	<u>\$ 306,514</u>	<u>\$ 315,866</u>

NOTE 5 - OTHER ASSETS

Other assets as of March 31 consist of the following:

	<u>2001</u>	<u>2000</u>
Cost in excess of acquired assets, less accumulated amortization of \$42,347 and \$39,293	\$ 79,129	\$ 82,182
Other	<u>-</u>	<u>4,749</u>
	<u>\$ 79,129</u>	<u>\$ 86,931</u>

GNOC, Corp. (Atlantic City Hilton)
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(All dollar amounts in thousands)

NOTE 6 - OTHER ACCRUED EXPENSES

Other accrued expenses as of March 31 consist of the following:

	<u>2001</u>	<u>2000</u>
Accrued payroll and benefits	\$10,746	\$10,012
Insurance claims	4,308	3,272
Other	<u>6,026</u>	<u>6,022</u>
	<u>\$21,080</u>	<u>\$19,306</u>

NOTE 7 - OTHER CURRENT LIABILITIES

Other current liabilities as of March 31 consist of the following:

	<u>2001</u>	<u>2000</u>
Due to Bally's Park Place	\$ 369	\$ 796
Due to Atlantic City Country Club, Inc.	998	231
Due to affiliates-other	932	389
Unredeemed slot promotions liability	2,707	3,403
Unredeemed chip and token liability	920	570
Other	<u>761</u>	<u>281</u>
	<u>\$ 6,687</u>	<u>\$ 5,670</u>

NOTE 8 - LONG-TERM DEBT - DUE TO AFFILIATES

Long-term debt - due to affiliates as of March 31 consist of the following:

	<u>2001</u>	<u>2000</u>
9% Note payable to PPE due January 1, 2009	<u>\$200,000</u>	<u>\$200,000</u>

In January 1999, the Company declared a \$200,000 distribution payable in the form of a note payable to Bally's Park Place. Bally's Park Place then immediately assigned the \$200,000 note payable to PPE. The note payable bears interest at a rate of 9% per annum, payable on the last business day of each quarter.

GNOC, Corp. (Atlantic City Hilton)
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(All dollar amounts in thousands)

NOTE 9 - OTHER LIABILITIES

Other liabilities as of March 31 consist of the following:

	<u>2001</u>	<u>2000</u>
Due to PPE	\$153,308	\$170,172
Due to Bally's Park Place (See Note 3)	1,107	2,156
Retirement plan	<u>-</u>	<u>4,713</u>
	<u>\$154,415</u>	<u>\$177,041</u>

Due to PPE consists of an unsecured, non-interest bearing intercompany account.

NOTE 10 - STOCKHOLDER'S EQUITY

At March 31, 2001 and 2000, the Company had 5,000,000 shares of common stock authorized; of such shares 3,002,510 were issued and outstanding.

NOTE 11 - CHARGES FROM AFFILIATES - MANAGEMENT FEE

The Company and PPE have entered into an administrative services and management agreement. Under the agreement, PPE provides certain services to the Company in the conduct of its business including, but not limited to operations, marketing, banking, accounting, insurance, tax, regulatory and public company reporting, human resource and benefit administration and other administrative functions. In consideration of the performance of these duties, the Company pays PPE a monthly management fee equal to three percent of revenues (net of complimentary services).

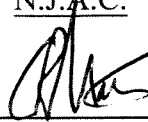
NOTE 12 - NONOPERATING INCOME (EXPENSE) - NET

Nonoperating income (expense) as of March 31 consist of the following:

	<u>2001</u>	<u>2000</u>
Interest income	\$ 92	\$ 150
Gain (loss) on disposal of equipment	<u>(135)</u>	<u>11</u>
	<u>\$ (43)</u>	<u>\$ 161</u>

STATEMENT OF CONFORMITY, ACCURACY AND COMPLIANCE

1. I have examined this Quarterly Report.
2. All the information contained in this Quarterly Report has been prepared in conformity with the Casino Control Commission's Quarterly Report Instructions and Uniform Chart of Accounts.
3. To the best of my knowledge and belief, the information contained in this report is accurate.
4. To the best of my knowledge and belief, except for the deficiencies noted below, the licensee submitting this Quarterly Report has remained in compliance with the financial stability regulations contained in N.J.A.C. 19:43-4.2(b)1-5 during the quarter.



Signature

Assistant Vice President/Controller
Title

006243-11
License Number

On Behalf of:

GNOC, Corp. (Atlantic City Hilton)
Casino License